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## THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC #5443-78  
7 December 1978

MEMORANDUM FOR: Director of Central Intelligence

VIA : Deputy Director for National Foreign Assessment  
National Intelligence Officer for WarningFROM : [REDACTED] 25X1  
Assistant National Intelligence Officer for USSR-EE

SUBJECT : Warning Report: USSR [REDACTED] 25X1

1. Action Requested: None; the attached report is for your  
information. [REDACTED] 25X1

2. Background: Community representatives and Soviet specialists met on 27 November for the second monthly meeting on warning, with A/NIO/USSR-EE in the chair. We reviewed and reevaluated the contingencies discussed last month in the light of accumulating evidence, and canvassed opinion on new items that have surfaced that might appropriately be flagged under our general guidelines of highlighting emerging possibilities, however improbable, which would be of major concern to policymakers if they came to pass. Attached is my understanding of the consensus of this meeting. As before, it has not been coordinated with participants, but is now being circulated to them. [REDACTED] 25X1

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Attachment:  
As Stated

## Distribution:

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A/NIO/USSR-EE/[REDACTED]  
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WARNING REPORT: USSR

(27 November 1978)

1. Summary. Intelligence Community analysts flagged the following contingencies as especially worth watching for during the next 60-90 days:

-- The possibility that the Soviets will bring military, economic, or political pressure to bear on Romania. Any such Soviet move would be in response to Ceausescu's rejection of Soviet demands at the recent Warsaw Pact meeting -- particularly on military investments and Soviet control over Romanian forces -- and his spectacular defiance of the Soviets in publicly justifying his stand.

-- The chance of a popular flareup in Poland this winter, against a background of differences of view within the Polish leadership over the unpalatable economic choices that face them.

-- The continued potential for escalation into Sino-Soviet conflict latent in the present upsurge in Vietnamese-Cambodian fighting.

-- Soviet efforts to exploit the Shah's difficulties and the turmoil in Iran to weaken US ties with the country and to begin to create a Soviet political role there.

2. Romania. It was the consensus of the analysts that the outstanding new item that merits careful watching involves Soviet-Romanian tensions. Accumulating sensitive evidence immediately prior to the recent Warsaw Pact meeting in Moscow had suggested considerable Romanian intransigence in preliminary negotiations with the Soviets over the documents the Soviets wanted the meeting to approve -- notably on China and the Middle East. This was supplemented by evidence that Gromyko's November meeting with Ceausescu was highly acrimonious, that Romanian economic problems had been intensified by a fuel shortage resulting from a major refinery accident, and that the Soviets could be aggravating these problems by delays in deliveries of steel and coking coal to Romania which may or may not have been politically inspired. All this has been reinforced, since our warning meeting was held, by a series of spectacular Ceausescu statements alleging that he had rejected Soviet demands at the Moscow Pact gathering for increased Romanian military expenditures and for increased Soviet control over Romanian forces assigned to the Warsaw Pact. Brezhnev has now harshly alluded to Ceausescu's "demogogy." The upshot is a clear need for the community to watch closely for any evidence of Soviet military, economic, or political pressures in response, or Soviet preparation to apply any such pressures.

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3. Poland. Analysts also felt that the situation in Poland is worth careful attention this winter. While there have been no major events there recently comparable in gravity to those involving Romania, there are several ongoing signs of malaise which bear watching against the background of the demonstrated volatility and unpredictability of the Polish population. Most of these relate to problems in the Polish leadership -- evidence that there may have been recent serious conflict between Gierek and an important provincial leader, evidence that Gierek has been ailing to the degree that his effectiveness has been significantly reduced, and evidence of a continuing policy debate over whether to cut back imports and impose a reduction of real income which would carry important political risks. This economic dilemma can only have been made more serious if Ceausescu is correct in alleging that the Soviets have sought to force all the East Europeans to raise their military expenditures. While there is no evidence at the moment of the kind of food shortages or imminent price rises that have ignited trouble in the past, we should remain particularly alert for political changes or decisions that could do so as well as for any hints we may get of increasing popular tension.

4. Indochina. We continue to see significant potential for escalation latent in the Vietnamese-Cambodian conflict, with some possibility of Sino-Soviet conflict growing out of Chinese and Soviet commitments to the two sides. The level of fighting along the Vietnamese-Cambodian border has now increased, but it is still too soon to tell if the Vietnamese intend to mount a challenge to the viability of the Cambodian regime which might be sufficient to incite the Chinese to risky action and thus to Soviet counter-action. The two chief developments on the Soviet side in the last month are 25X1 that Brezhnev may visit Vietnam in December, and evidence that the USSR may have delivered two Petya-class frigates to Vietnam. Both events, if they occurred, would be testimony to the growing Soviet stake in Vietnam.

5. Sino-Soviet. Meanwhile, analysts noted the recent signs of new contention in the Chinese leadership, and suggested that the Soviets are likely to be watching events in Peking closely for any evidence that shifting power relationships could bring a modification in the Chinese posture toward the Soviet Union (and, conceivably, the US). There is no evidence whatever of this to date, and it does not seem likely. Nevertheless, we, no less than the Soviets, have an obligation to remain alert for the possibility.

6. Afghanistan. The situation here has not significantly changed in the last month, with tribal revolts continuing at a low boil in the eastern provinces, but thus far still not mounting a serious challenge to the regime. We continue to feel that if such a challenge did emerge, there would be some possibility that the Soviets could be drawn in to help defend the regime. Afghan spokesman in the last month have gone to unusual lengths to stress their identification with the USSR, and after the warning meeting was held Premier Taraki visited Moscow and signed a friendship treaty with the USSR. It is likely that the local security situation was one of the topics discussed.

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7. Iran. We have noted that as the Shah's position has continued to deteriorate, the Soviets have appeared to be slowly changing their estimate of his chances of surviving. They have evacuated large numbers of Soviet dependents in apparent anticipation of violence during the current Moslem holidays. In their propaganda -- and in Brezhnev's statement warning the US against interference in Iran -- they have begun cautiously to appeal to the interests of the opposition, while seeking increasingly to blacken the US in the eyes of the opposition as the defender of the Shah. There is some difference of opinion about the mixture of motives underlying the Brezhnev statement -- some community analysts believe that Brezhnev was at least in part reacting defensively to the US charges about MIG-23s in Cuba, while others feel the Soviets were genuinely concerned about the possibility of US intervention in Iran. It is the consensus, however, that Brezhnev's statement in any case asserted an unprecedented claim to a Soviet say in Iranian security affairs, and that the Soviets now anticipate continued turmoil with the possibility of widening opportunities for themselves in the area.

8. Elsewhere in the Middle East, the Syrian-Iraqi rapprochement encouraged by the USSR as a response to Camp David continues, although we are receiving considerable evidence of Soviet misgivings about this, as well as evidence of Soviet friction with the Syrians about arms supply. We continue to see some possibility of eventual Egyptian-Libyan clashes which could impose serious choices upon the USSR and the US, but we have received no evidence in the last month suggesting this is imminent.

9. Africa. Analysts noted that Numayri in Sudan is now once more faced by a local tribal revolt, and suggested Libya and the Soviets may see this as an opportunity to exploit. Further south, we observed that Kaunda in Zambia was reported to be seeking large-scale arms aid from the Soviet Union (as well as from other sources such as India) as a result of disillusionment with the ability and willingness of Britain to supply him with the wherewithall to beat off Rhodesian attacks. Should the Zambian army in fact begin receiving Soviet weapons in significant quantities, this could open the door for expansion of Soviet influence in Lusaka. In southern Angola, we have noticed the creation of Soviet-Cuban defensive positions evidently intended to help guard against any South African retaliatory strikes in response to SWAPO raids into Namibia. This could increase the possibility of future South African-Cuban clashes. Finally, in the Horn, we have seen signs of renewed Soviet overtures to the Somalis and increased Somali-Soviet contacts. Although there are likely to be limits as to how far the USSR can go in this direction without antagonizing Mengistu, some improvement in Soviet-Somali relations could be in the cards.

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10. Brezhnev's Health. We continue to feel that should Brezhnev contract influenza this winter as he did last year, the risks to his life would be greater. Nevertheless, we also note that at the present phase of Brezhnev's gradually descending spiral, reports suggest that he is at the moment performing somewhat better than he has in some time. The past record suggests that this could change abruptly and without visible forewarning. A visit to Vietnam, should it materialize this month, would be likely at a minimum to put a considerable strain on Brezhnev. We have no evidence yet available to suggest that another downturn will come soon, although for the past few years his health has shown a downward dip in the late winter and spring.

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